MEDICAID PHARMACY CONSOLIDATION MCO TECHNICAL ADVISORY COMMITTEE MEETING MINUTES FROM January 9, 2008

I. **Welcome and Introductions**: The meeting was convened at 10:05am by Jim Vavra. Jim asked for members to introduce themselves and reviewed the agenda with members. Comments on or changes to the minutes should be sent to Rich Albertoni.

II. **Workplan Overview**: Jim Vavra reviewed a summary of the workplan with committee members.

III. **Analysis of Non-Preferred Drugs**: Rich Albertoni gave an overview of the project. DHCAA asked APS Healthcare to evaluate the HMO encounter data for volume of non-preferred products, i.e., those drugs and members that will be affected by the transition coming April 2, 2008. Briefly, the analysis found that 5 percent of prescriptions were for non-preferred agents. DHCAA would like to discuss with the committee members how to reach out to members on those products.

APS pharmacist Mike Mergener, who conducted the analysis for DHCAA, briefly explained his methodology. He evaluated one month of claims in the encounter universe or 280,000 claims. The claims were adjusted for generic fluticasone and all mental health drugs. Fewer than 5 percent of adjusted claims were for non-preferred agents.

Dr. Mergener highlighted for the group certain drugs and classes that are likely to require higher switch rates:

- Pro-Air HFA – should not be an issue to switch to another HFA inhaler. Preference for a particular agent is usually related to contracted price.
- Non-sedating Antihistamines – 2000 prescriptions are non-preferred. These can be PA'd for a number of reasons. The month of claims evaluated was during hayfever season, so it should reflect the maximum utilization. Medicaid is considering adding generic cetirizine as a preferred agent as the price continues to drop.
- PPIs – 870 claims are for non-preferred products, typically Protonix or Aciphex. Preference for a particular agent is usually related to contracted price. Clinical exchange is usually acceptable.
- Novolin insulin – 750 claims for these products. Lilly insulins are preferred on FFS. FFS did its own switch when it changed preferred agents from Novolin to the Lilly insulins. There were some problems with the switch, mostly related to the lack of availability of half units in Lilly products. Lilly now has half units.
- Etodolac – 300 claims. This is a high priced generic NSAID, for which there are many alternatives on the PDL.
- Elidel and Protopic – 250 claims. FFS established clinical PA, after an analysis found that most of the use of these products was not for approved indications or dosage levels.

Summary: 3,300 claims of 280,000 claims will require some intervention and education.

iCare indicated that information ahead of time to both the member and the prescriber is the best course. The responsibility for educating the member cannot be placed solely on the pharmacy.

The group discussed a plan for outreach and indicated that outreach directly from the HMOs may confuse providers, who will go back to the HMOs expecting a result. The HMOs will be able to provide education to their staff internally. Medicaid will provide scripts for the HMOs to use with their staff.

IV. **Recipient Lock-in Program**: Dr. Mergener reviewed the lock-in information that will be provided to the HMOs.

- Each HMO will receive a file of members in lock-in; the file will include the member name and ID number and estimated lock-in start date.
- Medicaid is asking that each HMO provide a lock-in contact for the State.
- Medicaid is also requesting the name of the pharmacy that the member has been locked into, so that it can be put on file. It must be a Medicaid-certified pharmacy.
- In the MD field of the lock-in file, the HMO ID number will be entered, so that the HMOs can track their lock-in members.
- If a member is in lock-in but does not appear on the file, add them to the file in your response.
- Lock-in duration for FFS is 2 years. FFS will re-review HMO members in lock-in longer than 2 years.
- The State needs responses from the HMOs by 1/25/08.

The group discussed how FFS lock-in staff can work with HMO care coordinators and how to best communicate to the pharmacy information about a lock-in physician and who may prescribe for a lock-in patient.

V. **Daily Extract Update**: Kimberly Smithers reviewed the feedback provided on the week-to-date vs. daily extract and indicated that the Department will be providing a week-to-date extract. She also asked that each HMO provide a technical contract to the State. This contact will be provided detailed information about the extract and work with the Division on the testing process for the file. The first contact to the technical people will happen next week.

Kimberly will take back and research the following items:

- How the change in the MMIS implementation date will impact the May 2008 NPI implementation.
- The possibility of a crosswalk from DEA numbers to NPI.
- The possibility of a crosswalk from NCPDP number to Medicaid Provider ID number.

VI. **Continuity of Care updates**: Carrie Gray reminded members of the Prior Authorization Committee meeting that will be held February 6, 2008 at 9am in Room 751, 1. W. Wilson St., Madison, WI. The PA process will stay the same after the consolidation. Committee members should look for a BadgerCare Plus Update in mid-March. HMO Committee members may also submit nominations for vacancies on the PA committee.

Ms. Gray reviewed the grandfathered drugs and indicated that all but one HMO has submitted their data. All HMOs will have their data to us by the end of the week.

The group discussed physician-administered drugs and the HMOs use of specialty pharmacies to provide these drugs to their contracted physicians. HMOs may continue to use these distribution modes for drugs that will be covered by the medical benefit. Drugs billed by NDC by a pharmacy will be covered by FFS.

Given the structure of the 2008 HMO capitation rates, the Department expects that HMO will retain coverage of physician-administered drugs in the medical benefit and that self-administered drugs will be carved out to the pharmacy benefit in FFS.

VII. **Communications Updates**: Carrie Gray referred members to the member and provider communications in their packets. These communications have been finalized by the Secretary's office and are set to mail early next week.

Additional items that HMO committee members would like addressed should be sent to committee staff and will be answered in an FAQ document that will be posted on the Department's pharmacy consolidation website. In addition, DHCAA will provide scripts to the HMOs.

The communications do not address the features of the BadgerCare Plus Benchmark plan, as these people will be enrolled beginning February 1, 2008 and will not be part of the transitioning population.

Jim Vavra added that the DUR Board is also accepting nominations and for the committee members to send these to Pam Appleby.

VIII. **Next Meeting**: The next meeting of the Medicaid Pharmacy Consolidation MCO Technical Advisory Committee is scheduled for Wednesday, January 23, 2008, from 10 am-12 pm. The group will be notified of the location.